



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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October 6, 1999

Robert Prescott
Summo USA Corporation
P.O. Box 847
Moab, Utah 84532

Re: Formal Approval of Exploration Project, Summo USA Corporation (Summo), Lisbon Valley Project, M/037/088 (UTU-72499, ML-20569), San Juan County, Utah

Dear Mr. Prescott:

On August 16, 1999 the Division received Summo's proposal for additional exploration work to be located within the currently approved large mine operation permit boundary for the Lisbon Valley Project. After reviewing the proposal, it was determined that an additional \$7,166 surety would be required for this exploration work. On September 22, 1999 the Division received a new reclamation contract and rider to the existing surety, increasing that surety to a new amount of \$77,066. The Division coordinated the review and acceptance of this revised surety amount with both the SITLA and Moab BLM Field Office.

On October 6, 1999, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of the revised reclamation surety. The Division hereby grants final approval of this proposed exploration project and the revised reclamation surety. You may commence exploration activities as outlined in your proposal, provided you have also received approvals from SITLA, and the BLM.

Enclosed please find copies of the fully signed and executed Reclamation Contract and surety bond forms for your files. Thank you for your help in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

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Enclosure

cc: Will Stokes, SITLA w/encl
Sal Venticinque, BLM w/encl

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